

James Reardon, 11/12/09



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Agency of Administration

To: Joint Fiscal Committee
From: James Reardon, Commissioner of Finance & Management
Date: November 12, 2009
Subject: Report on FY 2010 Pay Act Allocations (per 3 VSA Sec 2281(4)).

Please find attached the report on distribution of the FY 2010 Pay Act, along with these explanatory comments.

The FY 2010 Pay Act appropriations for the Executive Branch are in 2008 Act 206 Sec 3(a)(2)(A) [\$6,297,693 General Fund] and Sec 3(a)(2)(B) [\$2,180,510 Transportation Fund]. The Judicial Branch is appropriated \$706,615 General Fund in Sec 3(b)(4), and the Legislative Branch is appropriated \$143,670 General Fund in Sec 3(c)(1). This report deals only with the Executive Branch.

The Executive Branch Pay Act appropriations were reduced in 2009 Special Session Act 1 Sec B.1102 (\$2,180,510 TF), and in the Alternate and Labor Savings Plans authorized by 2009 Special Session Act 2 Sec 10(d) (\$2,865,840 GF). The resulting Executive Branch available Pay Act is \$3,431,853 GF, and \$0 TF. Of this GF amount, \$556,500 is committed to various non-salary items stipulated by the VSEA contract. The balance of \$2,875,353 GF is distributed to Executive Branch Departments, as shown on the attached schedule. The remaining balance in the Pay Act is \$232,206 General Fund. This balance will be allocated to smaller Departments that have difficulty meeting their pay act funding obligations.

After the Pay Act allocations, the schedule shows the remaining need for Pay Act funding netted against the carryforward (CF) of unspent funds from FY 2009. For purposes of this analysis, we have assumed that the first use of carryforward would be to satisfy pay act needs. Some departments may have proposed other uses for their carryforward, and therefore not all of it would be available to meet pay act requirements. The remaining Pay Act need is shown in the far right columns of the attached schedule. Those needs are generally small, and are considered manageable.

Please note that in all cases the agreed-upon FY 2010 employee salary increases will be honored. (The overall methodology used in developing pay act requirements is shown in Footnote #1, below.)

As in past years, the costs of the FY 2010 salary adjustments are being considered and

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addressed in the development of the proposed FY 2011 appropriations.

I would be pleased to respond to any questions.

Attachment

cc: House and Senate Committees on Appropriations and on Government Operations

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Footnote #1:

The methodology used in developing pay act requirements is as follows:

- Department pay act salary requirements (that is, the value of the FY 2010 salary increases, both COLA and steps) are projected position-by-position for all employees on payroll at the start of FY 2010. The pay act associated with budgeted overtime is also included, as is the value of the state share of benefits that attach to salary (FICA, retirement, life insurance, and LTD).
- Pay Act requirements were reduced by the effect of the Secretary of Administration's June 26, 2009 Salary Increase Implementation guidelines, that exempt and temporary employees would receive no salary increase in FY 2010. Positions that were eliminated and Reductions in Force resulting from the FY 2010 rescission and mandated budget reductions were factored out of the pay act calculations.
- The General and Transportation Fund shares of the required pay act are derived from the FY 2010 budget submissions, adjusted for legislative actions.
- The costs of various non-salary contract items are stipulated in certain articles of the State-VSEA Bargaining Agreement.

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FY 2010 PAY ACT REPORT: 3 VSA SEC 2281(4)

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Description	Pay Act need - GF by approp	Pay Act need - TF by approp	Pay Act need - GF + TF by approp	GF Pay Act allocation - Exec Branch	GF + TF Pay act need after Pay Act allocation - by approp	GF + TF Pay act need after allocation - by Depl	GF + TF Pay act need after allocation and CF - by Depl
Secretary's Office	0	0	0		0	0	0
AGENCY OF ADMIN SECRETARY'S OFFICE							
GOVnet	0	0	0		0		
Information & Innovation	1,526	0	1,526		1,526	1,526	1,526
INFORMATION AND INNOVATION							
Budget and Management	8,758	0	8,758		8,758		
Financial Operations	0	0	0		0	8,758	0
FINANCE & MANAGEMENT							
Operations	29,022	0	29,022		29,022		
HR Workforce Planning & Emp Services	0	0	0		0		
Employee Benefits & Wellness	0	0	0		0		
Information Technology	0	0	0		0	29,022	0
HUMAN RESOURCES							
Libraries	24,841	0	24,841		24,841	24,841	23,431
LIBRARIES							
Administration / Collection	189,701	0	189,701		189,701	189,701	189,701
TAX DEPT							
Administration	0	0	0		0		
Engineering	31,091	0	31,091		31,091		
Information Centers	40,044	0	40,044		40,044		
Purchasing	13,014	0	13,014		13,014		
Public Records	0	0	0		0		
Postal Services - External	0	0	0		0		
Copy Center	0	0	0		0		
Fleet Management Services	0	0	0		0		
Federal Surplus Property	0	0	0		0		
State Surplus Property	0	0	0		0		
Property Management	0	0	0		0		
Workers' Compensation Insurance	0	0	0		0		
Fee For Space	0	0	0		0	84,149	0
BUILDINGS & GEN SERVICES							
AGENCY OF ADMINISTRATION	0	0	0		0		
Governor's Office							
EXECUTIVE OFFICE							
Legislative Council			Leg Branch		Leg Branch	Leg Branch	Leg Branch
LEGISLATIVE COUNCIL			Leg Branch		Leg Branch	Leg Branch	Leg Branch
Legislature			Leg Branch		Leg Branch	Leg Branch	Leg Branch
LEGISLATURE			Leg Branch		Leg Branch	Leg Branch	Leg Branch
Legislative Information Technology			Leg Branch		Leg Branch	Leg Branch	Leg Branch
LEGISLATIVE INFORMATION TECHNOLOGY			Leg Branch		Leg Branch	Leg Branch	Leg Branch
Joint Fiscal Committee			Leg Branch		Leg Branch	Leg Branch	Leg Branch
JOINT FISCAL COMMITTEE			Leg Branch		Leg Branch	Leg Branch	Leg Branch
Sergeant at Arms			Leg Branch		Leg Branch	Leg Branch	Leg Branch
SERGEANT AT ARMS			Leg Branch		Leg Branch	Leg Branch	Leg Branch
Lieutenant Governor	0	0	0		0	0	0
LIEUTENANT GOVERNOR							
Auditor of Accounts	3,781	0	3,781		3,781	3,781	0
AUDITOR OF ACCOUNTS							
Office of the Treasurer	40,127	0	40,127		40,127		
Unclaimed Property	0	0	0		0	40,127	7,520
STATE TREASURER							
State Labor Relations Board	0	0	0		0	0	0
STATE LABOR RELATIONS BD							
VOSHA Review Board	190	0	190		190	190	0
VOSHA REVIEW BD							
Attorney General	28,909	0	28,909		28,909	28,909	28,909
ATTORNEY GENERAL							
Public Defense	39,005	0	39,005		39,005		
Assigned Counsel	3,922	0	3,922		3,922	42,928	0
DEFENDER GENERAL							
Judiciary			Jud Branch		Jud Branch	Jud Branch	Jud Branch
JUDICIARY			Jud Branch		Jud Branch	Jud Branch	Jud Branch
State's Attorneys	48,004	0	48,004		48,004	48,004	0
STATE'S ATTORNEYS							
Sheriffs	28,388	0	28,388		28,388	28,388	0
SHERIFFS							
State Police	137,778	610,043	747,821	747,821	0		
State Police	1,566	69,067	70,632		70,632		
Criminal Justice Services	0	0	0		0		
Emergency Management	0	0	0		0		
Fire Safety	7,817	0	7,817		7,817		
Administration	20,775	0	20,775		20,775		
Homeland Security	10,813	0	10,813		10,813		
Radiological Emergency Response Program	0	0	0		0	110,038	0
PUBLIC SAFETY							
Administration	3,580	0	3,580		3,580		
Air Service Contract	3,468	0	3,468		3,468		
Army Service Contract	1,057	0	1,057		1,057		
Building Maintenance	16,962	0	16,962		16,962		
Veterans' Affairs	6,348	0	6,348		6,348	31,414	19,415
CRIMINAL JUSTICE TRAINING COUNCIL							
Administration	8,826	0	8,826		8,826	8,826	8,416
CRIMINAL JUSTICE TRAINING COUNCIL							
Administration	4,030	0	4,030		4,030		
Food Safety and Consumer Protection	26,336	0	26,336		26,336		
Agricultural Development	10,134	0	10,134		10,134		
Labs, Agri Resource Mgmt & Envir Stewardship	22,463	0	22,463		22,463		

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FY 2010 PAY ACT REPORT: 3 VSA SEC 2281(4)

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AGRICULTURE						62,964	0
Banking	0	0	0		0		
Insurance	0	0	0		0		
Captive	0	0	0		0		
Securities	0	0	0		0		
Health Care Administration	0	0	0		0		
Administration	0	0	0		0	0	0
BISHCA							
Secretary of State	18,624	0	18,624		18,624	18,624	18,624
SECRETARY OF STATE							
Regulation & Energy	0	0	0		0	0	0
PUBLIC SERVICE DEPT							
Public Service Board	0	0	0		0	0	0
PUBLIC SERVICE BD							
Enhanced 9-1-1 Board	0	0	0		0	0	0
E9-1-1 BOARD							
Human Rights Commission	2,495	0	2,495		2,495	2,495	2,084
HUMAN RIGHTS COMMISSION							
Enforcement & Licensing	0	0	0		0		
Administration	0	0	0		0		
Warehousing and Distribution	0	0	0		0	0	0
LIQUOR CONTROL							
Lottery Commission	0	0	0		0	0	0
LOTTERY COMMISSION							
Secretary's Office Admin Costs	39,313	0	39,313		39,313		
Rate Setting	0	0	0		0		
Develop Disabilities Council	0	0	0		0		
Human Services Board	226	0	226		226	39,539	39,539
AHS SECRETARY'S OFFICE							
OVHA - Administration	0	0	0		0	0	0
OFFICE OF VT HEALTH ACCESS							
Administration	7,456	0	7,456		7,456		
Public Health	50,534	0	50,534		50,534		
Alcohol & Drug Abuse	3,985	0	3,985		3,985	61,975	0
DEPT HEALTH							
Mental Health	336	0	336		336		
Vermont State Hospital	271,894	0	271,894	271,894	(0)	336	336
MENTAL HEALTH							
DCFS - Admin & Support Services	339,332	0	339,332		339,332		
DCFS - Family Services	325,769	0	325,769		325,769		
DCFS - Child Development	46,013	0	46,013		46,013		
DCFS - Child Support Services	39,930	0	39,930		39,930		
DCFS - OEO Of Economic Opp	5,572	0	5,572		5,572		
DCFS - Woodside Rehab Center	55,344	0	55,344	55,344	0		
DCFS - DDS	0	0	0		0	756,616	0
DEPT FOR CHILDREN & FAMILIES							
Administration & Support	90,395	0	90,395		90,395		
Developmental Services	0	0	0		0	90,395	90,395
DISABILITIES & INDEPENDENT LIVING							
Corrections - Administration	24,280	0	24,280	24,280	0		
Corrections - Parole Board	3,191	0	3,191	3,191	0		
Corrections - Education	67,185	0	67,185	67,185	0		
Correctional Services	1,473,432	0	1,473,432	1,473,432	0		
Correctional Fac - Rec Fund	0	0	0		0		
Admin - VT Offender Work Prog	0	0	0		0	0	0
CORRECTIONS							
AGENCY OF HUMAN SERVICES	0	0	0		0		
Care and Support Services	0	0	0		0	0	0
VT VETERANS' HOME							
Vermont Commission on Women	1,940	0	1,940		1,940	1,940	0
VT COMMISSION ON WOMEN							
VDOL Program	23,270	0	23,270		23,270	23,270	0
LABOR							
Finance and Administration	39,706	0	39,706		39,706		
Education Services	47,244	0	47,244		47,244		
Tobacco Litigation	0	0	0		0		
Act 117 Cost Containment	0	0	0		0	86,951	0
DEPT EDUCATION							
Administration	54,551	0	54,551		54,551	54,551	54,551
ANR ADMINISTRATION							
Support & Field Services	0	0	0		0	0	0
FISH & WILDLIFE							
Administration	10,560	0	10,560		10,560		
Forestry	53,946	0	53,946		53,946		
State Parks	5,000	0	5,000		5,000		
Lands Administration	7,255	0	7,255		7,255	76,761	75,380
FORESTS, PARKS & RECREATION							
Management and Support Services	6,080	0	6,080		6,080		
Air and Waste Management	6,991	0	6,991		6,991		
Office of Water Programs	60,958	0	60,958		60,958	74,029	0
DEPARTMENT OF ENVIRONMENTAL CONSERVATION							
AGENCY OF NAT RESOURCES							
Natural Resources Board	13,469	0	13,469		13,469	13,469	13,469
NATURAL RESOURCES BD							
Administration Division	19,320	0	19,320		19,320	19,320	0
ACCD ADMINISTRATION							
Housing and Community Affairs	16,773	0	16,773		16,773		

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Historic Sites Operations	6,683	0	6,683		6,683		
Downtown Transp and Capital Imp Fund	0	0	0		0		
HOUSING & COMMUNITY AFFAIRS						23,456	21,415
Economic Development	10,631	0	10,631		10,631		
Vermont Training Program	2,869	0	2,869		2,869		
ECONOMIC DEVELOPMENT						13,500	0
Tourism & Marketing	10,938	0	10,938		10,938		
Vermont Life	0	0	0		0		
TOURISM & MARKETING						10,938	10,731
AGENCY OF COMMERCE & COMM DEVEL	0	0	0		0		
Transportation Board	0	0	0		0	0	0
TRANSPORTATION BOARD							
Finance and Administration	0	166,448	166,448		166,448		
Aviation	0	12,599	12,599		12,599		
Program Development	0	221,387	221,387		221,387		
Maintenance State System	0	570,265	570,265		570,265		
Department of Motor Vehicles	0	280,874	280,874		280,874		
Policy and Planning	0	22,646	22,646		22,646		
Rail	0	10,876	10,876		10,876		
Public Transit	0	2,283	2,283		2,283		
Central Garage	0	0	0		0		
AOT						1,287,379	0
TOTAL	4,075,768	1,966,488	6,042,256	2,643,147	3,399,109	3,399,109	605,442

\$\$ Available/Allocated

	GF	TF	Total GF/TF
Non-salary contract items:			
Human Resources			
Dependent care (Non-Mgmt Art 8)	115,000	0	115,000
Tuition:			
Non-mgmt (Non-Mgmt Art 37) (incl 15% admin)	207,000	0	207,000
Supervisory (Sup Art 41) (incl 15% admin)	34,500	0	34,500
Managers	0	0	0
Contract printing	0	0	0
Contract implementation costs	200,000	0	200,000
Total Human Resources	556,500	0	556,500
Total non-salary items	556,500	0	556,500
FY 2010 PAY ACT AVAILABLE			
EXECUTIVE BRANCH			
Appropriated in 2008 Act 206 Sec 3(a)(2)(A)	6,297,693		6,297,693
Appropriated in 2008 Act 206 Sec 3(a)(2)(B)		2,180,510	2,180,510
Total appropriation	6,297,693	2,180,510	8,478,203
Carryforward from FY 2009	0	0	0
Total pay act available	6,297,693	2,180,510	8,478,203
2009 Spec Session Act 1 Sec B.1102		(2,180,510)	(2,180,510)
Alternate Savings Plan (2009 Spec Session Act 2 Sec 10(d))			
No increases for exempts & temps	(554,375)		(554,375)
Less needed than original calculation	(1,145,924)		(1,145,924)
Manager tuition	(34,500)		(34,500)
Labor Savings Plan	(1,131,041)		(1,131,041)
FY 2010 Rescission			
Needed for non-sal contract items	(556,500)	0	(556,500)
Total pay act remaining for Depts	2,875,353	0	2,875,353
Allocated/transferred to Depts	(2,643,147)		(2,643,147)
Balance	232,206	0	232,206
JUDICIAL BRANCH			
Appropriated in 2008 Act 206 Sec 3(b)(4)	706,615		706,615
LEGISLATIVE BRANCH			
Appropriated in 2008 Act 206 Sec 3(c)(1)	143,670		143,670